

State of Utah DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

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MICHAEL R. STYLER Executive Director JOHN R. BAZA Division Director

July 21, 2010

Dennis Ware, Controller Plateau Mining Company P.O. Box 30 Helper, Utah 84526-0030

Subject: Authorization to Reduce Bond Amount, Star Point Mine, C/007/0006

Dear Mr. Ware:

On July 20, 2010, the Division approved Plateau Mining Corporation's (PMC) application for Phase III bond release at the Star Point Mine. As a part of this bond release, PMC requested a \$62,000 reduction in its bond.

Star Point Mine currently has a surety bond in the amount of \$734,000. You are hereby authorized to reduce the Star Point Mine bond by \$62,000. Therefore, the new surety bond amount required by the Division is \$672,000.

Please provide a surety rider from Travelers Casualty and Surety Company of America with this new amount. Also, please complete and return the enclosed Exhibit "D", Exhibit "A" and Affidavits of Qualification.

If you have any questions, please feel free to contact Angela Nance, bond coordinator, at (801) 538-5264.

Sincerely,

John R. Baza

Director

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Enclosure

cc:

Travelers Casualty and Surety Company of America

Richard Holbrook, OSM Jeff McKenzie, BLM Price Field Office

O:\007006.STP\BOND\BondReduction07212010.doc 1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801 telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

EXHIBIT "D"

Stipulation to Revise Reclamation Agreement (Federal)

Exhibit "D" Stipulation to Revise Reclamation Agreement Federal

Mine Name:	
Permit Number:	
Effective Date:	
Bond Number:	

COAL STIPULATION TO REVISE RECLAMATION AGREEMENT --ooOOoo--

This STIPULATION TO REVISE RECLAMATION AGREEMENT entered into by and between the PERMITTEE and DIVISION incorporates the following revisions or changes to the RECLAMATION AGREEMENT: (Identify and Describe Revisions below)

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.

	Replace the Reclamation Agreement in its entirety.		
	Replace Exhibit "A"- bonded area.		
	Rider added to existing Exhibit "B"- bonding agreement		
	Replace Exhibit "C"- liability insurance		
	The bonding amount is revised from \$ to \$		
	The bonding type is changed from to		
	The surface disturbance is revised from acre to acres.		
	The expiration date is revised from to		
	The liability insurance carrier is changed from to		
from	The amount of insurance coverage for bodily injury and property damage is changed		
from	\$ to \$		

Exhibit "D"
Stipulation to Revise
Reclamation Agreement
Federal

IN WITNESS WHERI	EOF,	the PERMITTEE has hereunto set
its signature and seal this	day of	
		PERMITTEE
		By:
		Title:
		day of, 20
		Director, Division of Oil, Gas and Mining

NOTE: An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power or Attorney of a company, such Power of Attorney must be filed with this Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

EXHIBIT "A"

Bonded Area Legal Description

(Federal Coal)

Exhibit "A"
Legal Description
Federal
Bond Number

EXHIBIT "A"

Pursuant to R645-301-820.110, the surety bond covers an identified increment of land within the permit area upon which the operator will initiate and conduct coal mining and reclamation operations during the initial term of the permit. This area is identified as:		
Map(s) showing the BONDED AREA within th	e approved PERMIT AREA :	
Legal description of BONDED AREA:		
The above described area shall be modified as no disturbed as a result of an expansion of coal min area may also be decreased as a result of partial a	ing and reclamation operations. The described	
IN WITNESS WHEREOF the SURETY has h	ereunto set its signature and seal this	
day of, 20		
	SURETY	
	By:	
	Title:	

AFFIDAVIT OF QUALIFICATION PERMITTEE

--ooOOoo--

I,, being first of	duly sworn under oath, deposes and says tha
he/she is the (officer or agent)	of;
and that he/she is duly authorized to execute and del	iver the foregoing obligations; and that said
PERMITTEE is authorized to execute the same and	has complied in all respects with the laws of
Utah in reference to commitments, undertakings and	obligations herein.
	(Signed) Name - Position
Attest:	
Attest: Secretary of the Corporation	
STATE OF) COUNTY OF)	
Subscribed and sworn to before me this day of _	, 20
· · · · · · · · · · · · · · · · · · ·	Notary Public
My Commission Expires:	

Bond Number	
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AFFIDAVIT OF QUALIFICATION SURETY COMPANY --00OO00--

I,, being first	duly sworn under oath, deposes and says that
he/she is the (officer or agent)	;
and that he/she is duly authorized to execute and de	eliver the foregoing obligations; and that said
SURETY COMPANY is authorized to execute the	same and has complied in all respects with
the laws of Utah in reference to becoming sole sure	ty upon bonds, undertakings and obligations
herein.	
	(Signed)
	Surety Company Officer - Position
Attest:	
STATE OF)	
) ss: COUNTY OF)	
Subscribed and sworn to before me this day of	·, 20
	Notary Public
My Commission Expires:	